## LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

301 State House (317) 232-9855

## FISCAL IMPACT STATEMENT

**LS 7758 DATE PREPARED:** Jan 11, 2001

BILL NUMBER: SB 421 BILL AMENDED:

**SUBJECT:** Reimbursement of injured employee.

FISCAL ANALYST: Chuck Mayfield

**PHONE NUMBER: 232-4825** 

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

X DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill requires an employer to pay for reasonable travel expenses to and from the place of treatment of an injured employee, regardless of where the treatment is located. It computes mileage reimbursement from the location of the employer to the place of treatment or examination, or from the home of the employee to the place of treatment or examination, whichever is less.

Effective Date: July 1, 2001.

**Explanation of State Expenditures:** Current law requires employers to pay travel expenses for an employer requested or required treatment that takes place outside of the county of employment. The bill requires the employer to also pay travel expenses for requested or required treatment that takes place <u>in</u> the county of employment.

This bill would likely increase costs for employers, including the state, local units, and school corporations. The amount of additional expenditures incurred as a result of this proposal cannot be determined. However, this amount is likely to be only a fraction of the total costs associated with worker's compensation.

Compensation paid to state employees, exclusive of medical benefits, totaled approximately \$2.9 M in FY 1996, \$3.1 M in FY 1997, \$3.4 M in FY 1998, \$3.7 M in FY 1999, and \$3.9 in FY 2000.

## **Explanation of State Revenues:**

**Explanation of Local Expenditures:** See Explanation of State Expenditures, above.

## **Explanation of Local Revenues:**

State Agencies Affected: All State Agencies.

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**Local Agencies Affected:** All Local Units.

**Information Sources:** 

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